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DATE OF INFORMATION <b>May 1953</b>		OFFICE OF NAVAL INTELLIGENCE OPNAV FORM-3820-2 (REV. 2-53)		74-53 DATE OF REPORT <b>28 May 1953</b>
FROM <b>DIO/13ND</b>		SOURCE <b>Press/Confidential Informants</b>		EVALUATION <b>As indicated.</b>
SUBJECT <b>CANADA - British Columbia Shipping Industry, 1952.</b>				

BRIEF (FOR REPORTS OF MORE THAN PAGE. ENTER CAREFUL SUMMARY)

The shipping industry in British Columbia established new records during the calendar year 1952. New industrial developments underway and being planned continue to improve the economic outlook for the province.

- Ref: (a) DIO/13ND Restr. ONI 3820-2 Report, Serial 4-53 of 15 Jan 1953.  
 (b) DIO/13ND Restr. ONI 3820-2 Report, Serial 108-52 of 10 Oct 1952.  
 (c) DIO/13ND Restr. ONI 3820-2 Report, Serial 58-52 of 14 Jul 1952.  
 (d) DIO/13ND Conf. Letter, Serial 03349 of 7 Mar 1949.

- Encl: (1) Shipping Statistics, British Columbia, 1952.  
 (2) Vancouver Merchant's Exchange Report for 1952.  
 (3) Shipbuilders, Engine & Boiler Builders and Repair Plants in the United States and Canada.  
 (4) Photograph of National Harbours Board Jetty #3 in Vancouver Harbor.

Report:

1. Harbor traffic in British Columbia showed a marked increase during 1952 as shown by the annual statistical report issued by the Vancouver Merchant's Exchange. The number of deep sea vessels entering the port of Vancouver during 1952 was 1206, compared with 1048 for 1951, an increase of 158 ships. Total tonnage increased from 4,548,495 in 1951 to 5,180,101 during 1952, or an increase of 631,606 net tons. By classification, American ships led the arrivals with 269, with British ships second with 251. The greatest increase of any flag registry was that of Japan with 107 arrivals, an increase of 90 over 1951. (B-2)

2. Vessels listed as departing from Vancouver increased from 1067 in 1951 to 1205 in 1952. Vessels carrying grain to the Orient accounted for much of this increase, and increased shipments to the U.K./Continent were largely responsible for the remainder of this increase. (B-2)

3. An analysis of figures of cargo tonnage through B. C. ports reveals that practically all ports registered gains during 1952 except Britannia Beach, Ocean Falls and Union Bay.

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Prince Rupert had an increase in tonnage handled of nearly 1500%. This was due to the tremendous increase of grain shipments from this port during the year. In 1951 Prince Rupert shipped only 660,799 bushels of grain, and for the year 1952 grain shipments rose to 10,398,553 bushels. Total cargo handled by B. C. ports increased from 10,883,356 long tons in 1951 to 13,564,649 long tons in 1952, an overall increase of 24.64%. (B-2)

4. Grain shipments from B. C. ports for 1952 total 137,792,384 bushels, compared with 89,663,464 bushels for 1951, an increase of 53.67%. Shipments to the U.K./Continent reached 61,275,328 bushels, an increase of about 15 million bushels over 1951. Grain shipments to the Orient, mostly Japan, total 35,488,232 bushels, an increase of about 13,000,000 bushels over 1951. (B-2)

5. An analysis of the cargo figures reveals that the port of Vancouver handled 76.8% of the total B. C. tonnage for 1952. Grain shipments from Vancouver increased 40.5%, general cargo 36.1% and total tonnage handled by this port increased 24.6% over 1951 figures. New Westminster continues as the second leading B. C. port, with a total of 1,381,585 tons of cargo handled during 1952, 12.7% of the B. C. total. Grain shipments from New Westminster in 1952 increased 82.1% over 1951 figures, general cargo increased 45.3%, and total cargo handled increased 28.2%. The port of Nanaimo recorded a 45.5% increase in tonnage handled for 1952. This port had no record of cargo handled during the fourth quarter of the year, as shown by the quarterly statistics of the Vancouver Merchant's Exchange. (B-2)

#### Lumber Shipments

6. Total lumber shipments from B.C. ports increased approximately 7,000,000 FBM during 1952 for a total of 1,110,482,214 FBM. The costly lumber strike during 1952 held down lumber shipments, or B. C. ports would probably establish new records for this type of cargo also. (B-2)

#### First Narrows Channel to be Dredged

7. A sum of \$750,000 has been provided in estimates announced by the federal government in April for a start on the dredging of First Narrows Channel in Vancouver Harbor. The work is expected to cost several million dollars before it is completed. Tenders for the work were expected to be called for sometime in May. The work involves dredging to a depth of 40 feet in some locations. The completed work will enable large tankers to use the port, and will also help deep-sea shipping to proceed through the Narrows without having to wait for high tide. (C-3)

#### CPR Plans Large Expansion

8. The Canadian Pacific Railway has announced a \$29,000,000 expansion and improvement program for 1953. Highlights of the program include:

- a. New rail and ship terminal facilities at Vancouver and Nanaimo.
- b. Preliminary work on reconstruction of CPR Pier D, destroyed in a waterfront fire in 1938.
- c. A specially designed rail-car ferry which is to be the largest ship in CPR's coastal fleet.

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Approximately \$2,000,000 has been appropriated for berthing facilities at Vancouver and Nanaimo. \$300,000 is to be spent for preliminary work on Pier D. (C-3)

Canadian Pacific Steamships obtains a U.S.-Built Vessel

9. Canadian Pacific Steamships announced in April that it had purchased the U.S.-built Mexican-owned motor vessel PCMARE to serve Vancouver Island West Coast run. The vessel is 140 feet in length and is eight years old. The vessel is to be renamed the PRINCESS OF ALBERNI. (C-3)

Tank Farms and Docks Being Constructed to Prepare for Oil from Pipeline

10. The Trans-Mountain Oil Pipe Line Company is rapidly preparing for the flow of oil scheduled to arrive at Burnaby in August through the pipeline. At the Burnaby Mt. site one 150,000-barrel tank is 75% completed, and work on three other tanks is well under-way. Plans call for thirteen tanks eventually, but only two or three are needed when the oil first starts flowing. (C-3)

11. Work on the oil terminal is now underway and is scheduled for completion in June at a cost of around \$135,000. Two oil tanks and one water storage tank will be erected in conjunction with the loading dock. A 24-inch pipeline two miles long has been nearly completed from the Burnaby Mt. terminus to the loading dock. Trans-Mountain will also supply 27,000 barrels of oil daily from the tank farm to the Shellburn refinery by a 10-inch 2 1/2-mile pipeline. This line is also nearly completed. Contracts have also been awarded for the construction of a 12-inch line four miles long from the tank farm to the Imperial Oil refinery at Ioco. (C-3)

Fire Chief urges a new Harbor Roadway

12. Fire Chief Hugh BIRD has told the Vancouver City Council that the waterfront is a firetrap and he has strongly urged the construction of a roadway along the waterfront and the purchase of a second fireboat. BIRD stated that the sprawling waterfront district is wide open to fire disaster, and he further commented that half of the province's 1952 fire loss of \$3,175,000 was along the waterfront. He stated that fire crews have often had to dig under rail tracks to lay hose in fighting waterfront blazes.

13. Chief BIRD proposed a four-point program to stiffen fire control in the area:

- a. A roadway along the waterfront with over or under-passes at least every second block.
- b. A second fireboat for Burrard Inlet.
- c. Agreement with National Harbours Board on a program of fire prevention.
- d. Immediate removal of the fishing fleet from the Inlet. (C-3)

New Westminster-Annacis Causeway Construction Set for This Year

14. A \$150,000 causeway, first step in the new industrial development of Annacis Island, is scheduled for construction this year. Industrial construction is slated to begin in

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1954 and when completed is expected to more than double the number of berths in the Royal City Harbor. The new ship berths are to be constructed along Annisville Dyke, which runs along the Fraser River, or northeast edge of the island. (C-3)

B. C. Longshore Group Breaks Tie with AFL Union.

15. In late March the Vancouver Local, ILA 163, broke its ties with the AFL and applied for a charter in the rival International Longshoremen's and Warehousemen's Union. Shifting of the 174-membership of this local to ILWU camps puts longshoremen on the B.C. coast, and on both coastwise and deep-sea vessels, under one banner. According to Vancouver longshoremen, one important reason for the change had been dissatisfaction over the reports of waterfront racketeering in the ILA on the U. S. East Coast. (B-2)  
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PREPARING OFFICER'S COMMENT:

Enclosure (3) is a list of all shipbuilding yards and docks in British Columbia. It contains names, capacity, etc., of all yards in B. C. capable of ship construction.

Enclosure (4) is an aerial photograph of the reconstruction which is taking place on National Harbours Board Jetty No. 3 in Vancouver Harbor, which was burned by fire in early 1952.

The 11-week grain strike, which recently ended, had brought grain shipments to a standstill from Vancouver and New Westminster. Grain operators predict that with operations now resumed they hope to ship more grain during 1953 than the record amount shipped during 1952. Lumber exports during early 1953 have jumped 60% over the early 1952 shipments, and shipping companies expect another banner year for the industry.

Reports had been received that the decision to quit the AFL and join Harry BRIDGES' ILWU had been engineered by Communist elements within the IIA Local. Discreet inquiries in the Vancouver shipping industry were made through source identified by reference (d). A summary of the information received is as follows:

"A meeting was held on March 15, 1953 by the IIA men, and a vote was taken of which the majority indicated their willingness to join the ILWU. For your information the IIA is the coastwise union, and will affect the coastwise vessels, such as CPR, Union, etc.

"As regards to their communistic domination or control, I have not been able to find out anything about this, but I doubt it very much as we have had no difficulty with our local longshoremen, that is the ILWU, since the last big strike in 1934, and we believe we have a very amicable working arrangement with them."

Fire Chief Hugh BIRD has a keen perception of the danger that confronts the waterfront of Vancouver, but with the City Council combing its budget to keep down costs, the prospect of any action being taken on his recommendations is not very good.

Chief BIRD deserves fine praise for the fire-fighting course which he set up for fifty of his fire-fighters. BIRD asked for suggestions from every major seaport on the North American continent to get the course started, and fifty men voluntarily took the 3-month course in their spare time, and should have an extensive knowledge in fighting fires along the waterfront.

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